



Illinois Electronic Filing Highlights

Form IL-1040, Individual Income Tax Return

The IL-1040 now has a box that must be checked if a taxpayer is a member of a professional athletic team. This box is located under the filing status section on the return. Please review the IL-1040 and the instructions for details.

In addition to the funds that were available last year, taxpayers may contribute to several new funds on their 2005 return.

Form IL-1040 Software Developers

The federal/state record layouts have been revised and the IL1040 has been moved from the "Generic Record" to the "Unformatted Record."

The electronic funds withdrawal payment option has been added to the Tax-Prep Software filing method. The Illinois consent to disclosure for on-line filing has also been changed to include language for this payment option.

See the 2005 IL-1346, Electronic Return File Specifications and Records Layouts for details.

Schedule ED, Credit for K-12 Education Expenses

Three additional lines for qualifying students have been added to Schedule ED.

Schedule M, Other Additions and Subtractions

Contributions made to a "College Illinois" savings plan may now be subtracted on Schedule M with limitations.

Subtraction for **total** contributions made to the "Bright Start" College Savings Pool and the "College Illinois" Illinois Prepaid Tuition Trust Fund college savings plans cannot exceed \$10,000 (\$20,000 if married filing jointly).

The "other subtraction" line on Schedule M has been removed. Illinois Finance Authority bonds issued under the Illinois Finance Authority Act, Sections 820.60 and 825.55 or Asbestos Abatement Finance Act has been added to the list of tax-exempt obligations of Illinois state and local governments. Also, mutual mortgage insurance funds bonds and the following non-U.S. government bond interest subtractions are now on a specific line:

- Guam;
- Puerto Rico;
- the Virgin Islands;
- American Samoa; and
- the Northern Mariana Islands.

New Publications

Publication 119, K-12 Education Expense Credit General Rules and Requirements for Home Schools

Refer to this publication to determine qualified education expenses for home schooled children.

Publication 120, Retirement Income

Refer to this publication to determine what retirement income may be subtracted on Form IL-1040 and what supporting documentation may be required.

New web site

We have tried to consider all the suggestions from taxpayers, software developers, and tax professionals in our redesign of our web site to make it easier and faster for you to find what you need. Please take a minute to browse our web site at tax.illinois.gov.





2006

Reminders

Software Developers

We support the HttpsPost Utility Program. The program transfers files to and from our Gateway server via the internet using Secure Socket Layer (SSL) technology. The utility supports both a Graphical User Interface (GUI) mode of operation as well as a command line mode. Call our toll-free telephone number for more information about this program at **1 866 440-8680**.

EROs Must Retain Form IL-8453

EROs are required to retain all original IL-8453 forms and supporting documents at their site for a three-year period. The department will request selected IL-8453 forms for inspection. Do **not** mail IL-8453 forms to the department unless they are requested.

Federal/State Retransmission

If an electronic IL-1040 return is being filed using the federal/state transmission method and the state packet is rejected by us, the electronic IL-1040 return can be retransmitted - providing the software being used supports the transmission of state-only returns.

Acknowledgment Retrieval is a Requirement

Transmitters are responsible for retrieving electronic IL-1040 acknowledgments. Illinois provides a separate acknowledgment for the IL-1040 and these acknowledgments should be retrieved on a continuous basis (daily, bi-weekly, *etc.*). You should not assume the IL-1040 is an accepted return based on the acceptance of the federal return. Refer to the IL-1345, Illinois Electronic Return Procedures for details.

Electronic Funds Withdrawal (direct debit) payment option

Taxpayers who owe additional tax on their 2005 IL-1040 may pay the amount they owe by directly debiting their checking or savings account – during their e-File process. Taxpayers may also use this payment option by visiting our web site at **tax.illinois.gov**. An Illinois Personal Identification Number (IL-PIN) will be needed by taxpayers who pay the amount they owe through our web site.

Credit Card Payment Option

Taxpayers can pay their 2005 IL-1040 balance due amount over the telephone or through the internet by using MasterCard, Discover, American Express or Visa cards. There will be an additional convenience fee assessed to their credit card account by the credit card service provider. Taxpayers who would like to pay the amount they owe by credit card can visit **www.officialpayments.com** and select “**Payment Center**” at the top of the home page or call **1 800 272-9829**. Taxpayers will be asked for a Jurisdiction Code, which is 2300.